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FISCAL IMPACT STATEMENT

LS 7324

BILL NUMBER: HB 1366

NOTE PREPARED: Feb 12, 2013

BILL AMENDED: Feb 7, 2013

SUBJECT: Highway and Street Pilot Program.

FIRST AUTHOR: Rep. Soliday

FIRST SPONSOR: Sen. Merritt

BILL STATUS: As Passed House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill authorizes the Indiana Department of Transportation (INDOT) to develop a pilot program to explore alternative highway and street funding methods. It provides that money in the State Highway Fund may be used to pay for the pilot program.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *INDOT* - the bill requires that INDOT institute a pilot program that is intended to study alternative highway and street funding methods. Any pilot program must include a vehicle miles traveled (VMT) component. Specifically, the program must test methods (including technology) that are able to collect vehicle miles traveled and collect payment from a pilot program participant. Additionally, the program must test technology for a service station point-of-sale program. The pilot program may not last more than 24 months.

INDOT may recruit volunteers to act as participants in the program. INDOT must issue a program decal or other vehicle identifier to each program participant and may choose to compensate participants.

INDOT is to issue a report on the success of the program to the Governor, Budget Committee, and Legislative Council not later than December 1, 2015.

The bill's requirements represent an additional workload on INDOT outside of the agency's routine administrative functions. The development and implementation of the pilot program would be paid for with State Highway Fund dollars.

Department of State Revenue (DOR) - DOR is required to work with INDOT to establish a procedure to refund program participants for the amount of motor fuel tax paid while taking part in the pilot program. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: According to the bill, pilot program participants will be reimbursed for the amount of motor fuel tax they pay while taking part in the program. Therefore, these motor fuel tax refunds will decrease motor fuel tax revenues. The total amount refunded is dependent upon the number of participants in the program and the amount of motor fuel consumed by participants during the pilot program.

Participants in the pilot program would be required to pay any fees established under the program by INDOT.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Transportation; Department of State Revenue.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Stephanie Wells, 232-9866.